FISCAL NOTE

SB 1107 - HB 1598

January 16, 2004

SUMMARY OF BILL: Deletes current law requiring property tax assessment of leased tangible personal property to lessees and instead requires assessment to the owner or lessor. Requires lessees to provide information about leased property. Requires lessors to report leased property in the county where it is located.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant
Decrease State Revenues - Not Significant

Decrease Local Govt. Revenues - Not Significant

Estimate assumes:

- a not significant increase in state expenditures for computer programming changes in the Division of Property Assessments which can be handled within existing budgeted resources.
- businesses receive a credit against business taxes for ad valorem taxes paid.
- under provisions of the bill, amount of credits taken against the business tax will increase because more entities subject to the business tax will be responsible for payment of ad valorem taxes for leased personal property as lessors of such property. The decrease in state revenues as a result of such credits is estimated to be not significant.
- personal property tax collections would not be affected as the same property would be assessable for the same amount with a different party responsible for paying the tax.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director